

Appendix A: Summary of Comments and Responses

Comments received on the Preliminary Finding of April 5, 2001.

State Agencies

Alaska Department of Fish and Game, Trasky, L., 5/21/01	
<p>Mitigation measure No. 3 allows for the construction of “temporary” or gravel roads during the exploration phase. One of the original purposes of this measure was to minimize construction of gravel roads during exploration. Long-term, and often permanent, habitat loss or alteration should be avoided unless it is demonstrated that exploitable accumulations of hydrocarbons are present. Usurping fish and wildlife habitat during the exploration phase is simply not justified when most exploratory wells do not succeed in finding commercial quantities of oil or gas. Most exploratory wells in the Cook Inlet region can be successfully supported by ice roads/structures. An excellent example is Conoco’s Astosch Well #1, which was drilled in the Trading Bay State Game Refuge during the winter of 1990-1991. This well site was accessed via an ice road, and the entire drilling operation was supported by an ice pad</p>	<p>The mitigation measures for the Susitna Basin Exploration License have been extensively rewritten and re numbered. Mitigation Measure 16 now addresses road access. It reads: “[e]xploration activities must utilize existing road systems, ice roads, air or boat service, or vehicles that do not cause significant damage to the ground surface or vegetation. Construction of temporary roads may be allowed. Construction of permanent roads will be prohibited during the exploration phase.” Requiring ice roads and pads cannot be required in the Cook Inlet area or the Susitna Valley, because experience indicates that freeze/thaw periods during winters in these regions are not uniform or predictable, and favorable conditions for the construction and viability of ice structures cannot be relied upon. While a particular winter season may provide an exception, it is probable that an ice road and pad might not remain intact for the entire well drilling and testing period. There is a risk that a warm winter or early break-up would degrade an ice road and pad to the extent that service or emergency support vehicles could not reach the drill site if needed, and that the drill rig could become stranded on site throughout the summer season. An unpredictable thaw condition could result in a project abort and/or an emergency, which could threaten or damage personnel, machinery, and surrounding natural resources. ADF&G has pointed to Conoco’s Trading Bay project as a successful example of an ice road used during the winter of 1990-91. However, the rig was almost lost during breakup.</p> <p>Ice road integrity also depends on site-specific</p>

	<p>soil conditions. Foreseeable road routes in the study area may traverse areas of relatively unconsolidated soils, such as peat. Due to unfavorable soil characteristics and plasticity of ice, there is a possibility that an ice road might not support the loads required for transporting a drill rig and associated equipment. Heavy equipment is required for not only normal drilling operations, but for response to well emergencies. It is DO&G's policy to discourage the use of gravel roads for exploration whenever possible. While DO&G encourages the use of ice roads to minimize impacts, requiring their use would be neither feasible nor prudent.</p>
<p>DO&G has suggested that mild winters in Cook Inlet do not provide a sufficient work window to support ice road and pad construction and maintenance during the exploration phase. While we have disagreed with this position, most recently for Cook Inlet Areawide (CIA) leasing, we would note that there is typically a longer winter (i.e., more subfreezing months) for much of the proposed Susitna Exploration License area than in areas where most of the previous Cook Inlet oil and gas activities have occurred.</p>	<p>DO&G staff compared mean temperatures in Kenai and Talkeetna on January 21, February 21, and March 21, for the years 1999 through 2003 and found no significant difference in temperatures for the two areas. The mean average temperature for Kenai was 22.82° F and the mean average temperature for Talkeetna was 22.86. DO&G maintains that mild winters in the license area do not provide a sufficient work window to support ice road and pad construction and maintenance during the exploration phase.</p>
<p>The proposed mitigation measure for siting facilities and structures does not provide sufficient protection for fishbearing streams and lakes. The current mitigation measure for Cook Inlet Areawide establishes a one-half mile buffer from significant fishbearing streams. Exceptions to siting a facility within the one-half mile buffer may be approved by the director of the Division of Oil and Gas, with ADF&G concurrence, provided there is an environmentally preferable alternative; however, in no instance will a facility be located within one-quarter mile of the riverbank. The proposed Term 6 for the Susitna Exploration License includes feasible and prudent language for granting an exception and provides only for ADF&G consultation. In addition, a minimum buffer of one-quarter mile is not identified.</p>	<p>Since the issuance of the Preliminary Best Interest Finding the mitigation measures have been extensively rewritten and renumbered. Furthermore habitat permitting has moved from ADF&G to ADNR/OHMP (Office of Habitat Management and Permitting). The mitigation measures in the final finding represent a consensus between DO&G, OHMP and ADF&G. ADNR has statutory authority over the surface management of state lands. DO&G will consult with OHMP on Mitigation Measures 4 (waterbody buffers) and 5 (wetlands). Mitigation Measure 10 (bear habitat activities) requires concurrence with ADF&G.</p>
<p>Term 6 for Cook Inlet leases was revised in 1999 after considerable discussions between oil industry representatives and representatives from various stakeholders. We believe the impetus</p>	<p>See response above.</p>

<p>prompting the revision, to provide maximum protection to important fishbearing streams, the associated riparian habitat, and the human use of these areas, has not changed since then. A similar measure for siting facilities near fishbearing streams and lakes was included in the Copper River Basin Oil and Gas Exploration License. ADF&G believes the exception language as provided for CIA and the Copper River Basin should be continued in the proposed Susitna Exploration License.</p>	
<p>ADF&G has identified three habitat areas along the Kahiltna and Yentna rivers, within the proposed license area, that support Tule white-fronted geese nesting and molting. We also proposed mitigation consistent with measures adopted for Tule goose habitat areas in Trading Bay and Redoubt Bay. In the preliminary finding, DO&G adopted our recommendations except for the prohibition of surface entry in the core Tule goose nesting and molting area along the upper Kahiltna River. We believe that a no surface entry restriction is necessary to protect one of the few known Tule nesting areas. While the small population of Tule geese may have increased in the 1990s, we still have up to 75% of the population unaccounted for during the summer. Consequently, we recommend revising Term 21 to include a no surface entry restriction for the core nesting and molting area.</p>	<p>ADNR has adopted new language for protection of Tule geese in consultation with OHMP. See Mitigation Measures 14 and 15.</p>

Federal Agencies

U.S. Fish and Wildlife Service, Rappoport, A, 6/5/01	
<p>USF&WS recommends the following mitigation measures: ADNR will ensure the exploratory well pad or other project feature is staked or otherwise defined to prevent filling of wetlands with gravel or other pollutants. Equipment will not be permitted to work outside of this defined area in order to minimize impacts to adjacent wetlands.</p>	<p>Mitigation Measure 5 addresses protection of wetlands. Additionally, current law protects wetland habitat-dependent resources. If fill is to be placed in a wetland, Army Corps of Engineers permit is required under the 404 permit process.</p>
<p>Avoidance of wetland fill and disturbance is recommended. If wetland fill is unavoidable, mitigation for this fill should be planned into the proposal. Restoration of another degraded site within the proposed project area should be considered for mitigation potential.</p>	<p>Under Mitigation Measure 5, impacts to important wetlands must be minimized to the satisfaction of the Director, in consultation with ADF&G and ADEC. The Director will consider whether facilities are sited in the least sensitive areas.</p>

Rivers, lakes and creeks are to be protected from sediment and pollutant run-off caused by exploration procedures. The applicant will install and maintain appropriate erosion and sediment control devices to prevent the introduction of sediments into adjacent wetlands.	Under Mitigation Measure 4, siting of facilities, other than docks or road, utility or pipeline crossings, within 500 feet of any fishbearing waterbody is prohibited. Additionally, siting of facilities will be prohibited within one-half mile of the banks of Alexander, Lake, Peters, and Cache Creeks, and the Susitna, Deshka, Kahiltna, Talachulitna, and Yentna rivers. Exceptions may be made by the Director after consultation with OHMP.
Brush clearance of areas should be limited to non-nesting periods to protect migratory and resident birds. Migratory birds within the project area are protected by the Migratory Bird Treaty Act of 1918, as amended. If site-clearing activities cannot be completed by April 15, the work shall be postponed until after July 15 in order to allow birds to fledge young.	Licensees must comply with all federal, state, and local statutes and regulations including the Migratory Bird Treaty Act of 1918, as amended. Additional site-specific mitigation measures may be imposed at the plan of operations phase of development when specific projects are proposed.
Bald eagle nests must be identified and protected.	Mitigation Measures 11 and 12 protect bald eagles. Licensees are advised that activities likely to disturb nesting eagles are subject to the provisions of the Bald Eagle Act of 1940, as amended.
Fish passage will not be prevented in any water body due to exploration procedures. To protect incubating fishes, work in waterways and wetlands should be conducted during the In-stream Work Period, as designated by ADF&G, unless a special exception is granted.	Lessee Advisory 3 alerts licensee to the provisions of Title 41 of the Alaska Statutes which protects designated anadromous streams and ensures the free and efficient passage of fish in all fishbearing waterbodies.

Others

Alaska Center for the Environment, J. LeBeau, Palmer AK, 6/5/01	
Any development shall comply with all federal, state, and local government regulations.	Licensees must comply with all federal, state, and local government regulations.
A provision for enforcement with appropriate criminal and civil penalties should be incorporated into any permit license, lease or other agreement between the state and other parties. Companies that have been convicted of environmental crimes should be referred to the EPA debarment attorney in Seattle.	Licensees must comply with all federal, state, and local statutes and regulations and will be subject to fines and penalties as deemed appropriate by those agencies and the courts.
Has the state completed an economic benefit analysis to show that this is the highest and best use of this land?	ADNR is not required to complete a cost benefit analysis prior to offering an exploration license. It is required to issue a best interest finding. AS 38.05.035(g) lists the topics that DO&G must consider and discuss in the best interest finding analysis for an exploration license. Chapter Five

	discusses the reasonably foreseeable cumulative effects of oil and gas development, production and transportation as well as the reasonably foreseeable fiscal effects of the exploration license on the state and affected communities.
Page 1-12 states, “[a]ctivities employing wheeled or tracked vehicles shall be conducted in such a manner as to minimize surface damage.” Is there a minimum snow cover to minimize land damage?	There is no minimum snow cover spelled out in regulation. Different vehicles have the potential for different impacts depending on the proposed activity, season, terrain, physical obstacles, access routes, and the sensitivity of the vegetation and resources. This information will be available at the plan of operation stage and will be evaluated at that time by ADNR, ADF&G, and other concerned parties to assess the significance of damages, if any, and to determine which vehicles and modes of transportation will best minimize potential impacts to ground surface or vegetation.
Domestic wastewater should not be allowed to be disposed into Class V injection wells. Grey water should be treated to black water standards.	<p>ADEC has the statutory responsibility for preventing air, land, and water pollution. Certain oil and gas activities such as the discharge of wastewater are regulated by ADEC. A Wastewater Disposal Permit is required before such discharges can be made. Licensees must comply with all applicable local, state and federal statutes and regulations, and must submit applications for required state and federal permits with their plan of operations.</p> <p>The Class V injection well definition includes injection wells (wastewater disposal systems) that are designed for the disposal of domestic wastewater. ADEC will inform the applicant of the federal requirements for Class V Injection Wells during the pre-application meeting and the plan review process.</p> <p>The current state wastewater disposal regulations require grey water to be treated to the same level as black water. In addition, if during the exploration phase more than 500 gallons per day of wastewater (grey water, black water, or both) is generated at a central location such as a camp, an engineering plan review on the wastewater disposal system will be required. If the discharge area is determined to be a sensitive receiving environment or threatens public health, ADEC will also require the applicant to obtain a wastewater disposal permit.</p>

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Domestic wastewater that has been chlorinated should not be discharged into fish bearing streams, near creeks, ponds, wetlands or other water bodies as chlorine is acutely toxic to fish. Chlorinated wastewater should be de-chlorinated prior to discharge after 30 minutes of contact time.	Under License Advisory 9, unless authorized by NPDES or state permits, disposal of wastewater into freshwater bodies is prohibited.
18 AAC 50 visible emission regulations induce scrutiny when opacity greater than 20% is produced by fuel burning equipment for more than three minutes in any hour. Operators should be required to have at least one trained visible emissions opacity reader on site at all times during operation of fuel burning equipment.	ADEC will not require a certified smoke reader under current air rules, or in their proposed Permit by Rule regulation for exploratory drilling. It is not mandated by any regulation.
The PBIF fails to mention the requirement for spill prevention and control for a c-Plan when above ground storage tanks have more than 660 gallons of petroleum or when combined petroleum storage is greater than 1320 gallons on a site.	Licensee Advisory 7 addresses c-Plans. The 660 gallon requirement is covered by regulation. It is not necessary to restate existing statutes and regulations as mitigation measures. In addition, ADNR has added Mitigation measures 18-23 to cover the use and storage of hazardous substances not otherwise regulated by ADEC.
Generally, an impermeable liner is required under all storage tanks when an SPCC plan is required. Fuel distribution and vehicle service should only occur over an impermeable liner. Sufficient absorbents and booms should be on hand to address the largest container spill. Further oil storage should not be allowed in areas that are subject to periodic flooding.	The impermeable liner requirement is covered by regulation. It is not necessary to restate existing statutes and regulations as mitigation measures.
18 AAC 75 requires placarding of petroleum storage tanks and tankers. Discharges of oil are required to be reported under 18 AAC 75.300.	The placarding requirement is covered by regulation. It is not necessary to restate existing statutes and regulations as mitigation measures. In addition, ADNR has added Mitigation measures 18-23 to cover the use and storage of hazardous substances not otherwise regulated by ADEC.
Any destruction of habitat will diminish the value of lands for all Alaskans. Many who live in this area depend on the unspoiled nature of the forest lands for their livelihood. Structures or storage tanks will change the character of this wilderness forever. All Alaskans who depend on this area for recreation, fishing or sightseeing will feel untold fiscal effects.	ADNR believes that that oil and gas exploration, development is compatible with other uses such as tourism. With the mitigation measures, existing laws, statutes, and regulations, recreation, fishing or sightseeing qualities can be maintained.
Pipeline materials should be safe and not subject to corrosion. All areas where pipelines cross streams, ponds and wetlands or other bodies of water should be avoided when feasible and cathodically protected. Annual	Specific pipeline design standards will be developed at the plan of operations phase of development when specific projects are proposed.

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hydrostatic testing should be required of all pipelines along with other non-destructive testing. Anomaly repair should be required within seven days of discovery	
How is significant damage defined in Mitigation Measure 16?	Significant damage is a relative term. Different vehicles have the potential for different impacts depending on the proposed activity, season, terrain, physical obstacles, access routes, and the sensitivity of the vegetation and resources. This information will be available at the plan of operation stage and will be evaluated at that time by DMLW, OHMP and other concerned parties to assess the significance of damages, if any, and to determine which vehicles and modes of transportation will best minimize potential impacts to ground surface or vegetation.
Plastics should not be burned in camps to limit the production of dioxins. Garbage should be incinerated, with ash disposed of a borough transfer station. Putrescible waste must be incinerated within four hours of the time the waste is generated to reduce bear contact. All recyclables such as aluminum and plastic should be transported to the nearest recycling center.	ADEC has the statutory responsibility for preventing air, land, and water pollution. Solid waste storage, treatment, transportation and disposal are regulated under 18 AAC 60. These regulations address various design features (liners, berms, dikes). Non-drilling related solid waste must be disposed of in an approved municipal solid waste landfill (MSWL). MSWL's are regulated under 18 AAC 60.300-.397. All other solid waste (except for hazardous materials) must be disposed of in an approved monofill. 18 AAC 60.400-.495. Licensees must comply with all applicable local, state and federal codes, and must submit applications for required state and federal permits with their plan of operations. Mitigation measures 25 and 26 address solid waste disposal. Solid waste generated from the development and/or operation in a license area shall be reduced, reused, or recycled to the maximum extent practicable. Garbage and domestic combustible refuse must be incinerated where appropriate. Remaining solid waste shall be taken to an approved disposal site, in accordance with 18 AAC 60.
Flight corridors as far away from rivers should be developed to preserve boaters wilderness experience.	There is no precedent for this type of mitigation measure. Air corridor restrictions are not imposed on other commercial or recreational activities. It is not reasonable to single out oil and gas exploration for such restrictions.
Drill sites and buildings should be located 1,500 feet away from rivers, creeks and ponds to reduce conflicts over the use of public resources.	Mitigation measures 4 and 10 establish minimum setbacks from fishbearing streams and lakes. They range from 500 feet to ½-mile. Facilities may be sited within these buffers if

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	the licensee demonstrates to the satisfaction of the Director, after consultation with ADF&G, that alternative buffer zones are not feasible or prudent or that the alternate location is environmentally preferable.
Activities around fish bearing streams should be prohibited during spawning.	OHMP regulates activities around streams during spawning under the provisions of Title 41. See Licensee Advisory 3.
Feeding of wildlife should be specifically prohibited in any permit, lease, or license.	Under Mitigation Measure 32, licensees are required to conduct training for all employees and contractors on environmental, social, and cultural concerns in the area of activity. The program must employ effective methods to ensure that personnel understand and use techniques necessary to preserve geological, archeological, and biological resources.
Any project conducted in the Mat-Su Borough must also comply with all state, federal and local laws and special land use designation requirements.	Licensees must comply with all applicable local, state and federal codes, statutes and regulations, and any subsequent amendments.
Throughout this document, when proposed measure nine is cited, the volume of oil required to have an SPCC plan is misstated. SPCC plans are triggered anytime someone stores petroleum in an aboveground tank with a capacity of greater than 660 gallons.	This has been corrected.
All discharges to the surface must meet the minimum treatment requirements in 18 AAC 72. Further, we request that all gray water discharges meet the more stringent requirements for black water. If domestic wastewater is discharged into the ground, a Class V injection permit may be required from EPA Region 10.	ADEC has the statutory responsibility for preventing air, land, and water pollution. Certain oil and gas activities such as the discharge of wastewater are regulated by ADEC. A Wastewater Disposal Permit is required before such discharges can be made. It is the responsibility of ADEC to determine the parameters that must be met before discharges are permitted. The need for a Class V injection permit will be evaluated at the time a plan of operations is submitted for review and approval. Licensees must comply with all applicable local, state and federal codes, and must submit applications for required state and federal permits with their plan of operations.

Alaska Survival, B. Long, Talkeetna, AK, 6/2/01

The license and study area are too large.	At 1.45 million acres, the study area is less than half the size of the Cook Inlet Areawide Sale area. Each licensed area cannot be greater than 500,000 acres. The licensee must acquire the same permits as those in a standard lease.
The preliminary finding fails to address the changes that will occur by enabling oil	ADNR believes the effects discussions in Chapters Four, Five and Six of the best interest finding, are

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and gas development in an area of high public and private use.	comprehensive and meet the requirements of AS 38.05. Further, these licenses have been found to be consistent with the ACMP and all relevant coastal district plans.
There needs to be accurate data on the amount of private land in the exploration license area. The local wilderness communities depend on healthy fish and game populations for personal and commercial use.	The state has conducted a title search to identify private land and insure that only those lands where the state owns the subsurface are included in the exploration licenses.
ADNR and ADF&G do not have the monetary resources to implement this license responsibly. There could be budget cuts in the future.	At present ADNR and ADF&G have the resources to implement this license. The governor has made oil and gas development a priority.
Disagree with the statement that most adverse effects will be temporary and only occur during development, not during exploration. Do not believe that impacts can be mitigated. Large scale exploration and development is incompatible with these lands.	ADNR believes that oil and gas exploration and development is compatible with other uses, such as tourism. With the proposed mitigation measures, existing laws, statutes, and regulations, recreation, fishing or sightseeing qualities can be maintained.
This proposal should be put on hold until a stakeholders committee open to the public is formed to adopt strict guidelines for oil and gas development.	A stakeholders process was implemented for both Sale 85A and the Cook Inlet Areawide Sale. ADNR does not believe it is necessary to convene another stakeholders group for these exploration licenses. Many of the mitigation measures that were developed in the stakeholders processes have been applied to this study area.

Cook Inlet Keeper, B. Shavelson, Homer AK, 6/5/01

By precluding exploration and development opportunities at the development stage, i.e. prohibiting oil and gas licensing in sensitive areas, DO&G could predict and plan for oil and gas development in the Susitna Basin. If important wetlands, lakes and stream tracts were left out, then no development would occur there and no resulting ecological harm would ensue. The state should delete sensitive areas from the proposed licensing area.	ADNR believes that sensitive areas can be protected through mitigation measures and prefers this approach rather than acreage deletions. Mitigation measures 4 and 10 establish facility setbacks from all fishbearing streams and lakes. Mitigation Measure 5 limits the siting of facilities in important wetlands.
The state often denies citizens a meaningful opportunity to be heard in subsequent exploration, development and production decisions. Public notice—and the realistic opportunity to review relevant documents rarely accompany plans of operations, and ACMP reviews rarely provide detailed project information. The state should reissue a new preliminary best	ADNR give public notice when a permit or plan of operations is proposed. For significant plans of operation ADNR will request the Mat-Su Borough provide a list of property owners and addresses from the tax rolls for parcels within 1/2- mile of the proposed project. DO&G will notify those affected owners by regular mail of the opportunity to participate in the review.

<p>interest finding and ACMP analysis that highlights two important areas: 1) Broad based public notice, involvement and opportunity to comment on all exploration development and production activities and 2) Deletion of important wetlands, lakes and stream tracts.</p>	<p>Mitigation Measure 31 requires a plan of operations application describe the licensee's past and prospective efforts to communicate with local communities and interested local community groups.</p> <p>ADNR believes that the preliminary best interest finding and ACMP analysis meet the statutory requirements and it is not necessary to reissue them. Furthermore, ADNR prefers mitigation measures to acreage deletions. Mitigation measures 4 and 10 establish facility setbacks from all fishbearing streams and lakes. Mitigation Measure 5 limits the siting of facilities in important wetlands.</p>
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Nienhueser, H., 5/28/01

<p>Section 8 of the Alaska Constitution says, "the legislature may provide for the...exploration of any part of the public domain...subject to reasonable concurrent uses. It is arguable that oil and gas exploration and development are not reasonable concurrent uses with residential, recreational and tourism.</p>	<p>The Alaska Constitution provides that the state's policy is "to encourage...the development of its resources by making them available for maximum use consistent with the public interest" and that the "legislature shall provide for the utilization, development, and conservation of all natural resources belonging to the State,...for the maximum benefit of its people" (Alaska Constitution, art. VIII, §§ 1, 2). To comply with this provision, the legislature enacted Title 38 of the Alaska Statutes (AS 38) and directed ADNR to implement the statutes.</p> <p>ADNR believes that oil and gas exploration and development are reasonable concurrent uses with residential, recreational and tourism. For example, the Kenai Peninsula has supported substantial oil and gas activity while experiencing dramatic increases in residential development, tourism, and outdoor recreation activity. These activities are not mutually exclusive and their managed co-existence is consistent with the multiple use policies of the department.</p>
<p>I suggest that you refer to AS 38.04.910, which defines multiple use as including the use of some land for less than all of the resources.</p>	<p>AS 38.04.910 (5) states "multiple use" means the management of state land and its various resource values so that it is used in the combination that will best meet the present and future needs of the people of Alaska, making the most judicious use of the land for some or all of these resources or related services over areas large enough to provide sufficient</p>

	<p>latitude for periodic adjustments in use to conform to changing needs and conditions; it includes:</p> <p>(A) the use of some land for less than all of the resources; and</p> <p>(B) a combination of balanced and diverse resource uses that takes into account the short-term and long-term needs of present and future generations for renewable and nonrenewable resources, including, but not limited to, recreation, range, timber, minerals, watershed, wildlife and fish, and natural scenic, scientific, and historic values.</p> <p>ADNR believes that oil and gas development, conditioned by the mitigation measures, meets the legislative intent of this statute.</p>
I see that you have made some deletions to the original area, so I assume that minor boundary changes are within the scope of changes you are willing to make. I request that you delete Section 1-6 of T27N, R6W.	Following their initial application, Forest Oil submitted a revised proposal for License No. 1, excluding all acreage within the Township 27N tier.
I request that you explicitly include a prohibition on building roads in Chapter Seven. I found that elsewhere in the finding, cited as an example, but not in Chapter Seven.	<p>A complete prohibition on roads would make it impossible to explore or develop the area. The preliminary finding did not say that roads will be prohibited. In fact it states, "Some new roads may be required" (page 5-2). Road construction is listed as possible activity in Tables 5.1 and 5.2. "Some portions of the study area could be developed from existing roads or access routes. However, much of the acreage is remote from existing infrastructure...(page 5-13). "It is also possible that a proposed activity (especially the building of additional permanent roads) could allow for easier access to private property. The resultant increase in human presence on these lands could have negative impacts on traditional and recreational use (page 5-13).</p> <p>Mitigation Measure 16 requires that exploration activities must utilize existing road systems, ice roads, air or boat service, or vehicles that do not cause significant damage to the ground surface or vegetation. Construction of temporary roads may be allowed. Construction of permanent roads will be prohibited during the exploration phase.</p>
Please address impacts to private property.	Most private property owners gained title to

<p>Will you provide licensees with maps of private property? How far from a private cabin must an exploration camp be located. I suggest a mile unless it is separated from by a hill.</p>	<p>their land from the state either directly or from another landowner. The Statehood Act and AS 38.05.125 requires that in each sale, lease or grant of state land, ownership of the subsurface resources (oil, gas, coal, ores, minerals, geothermal resources, etc.) is reserved by the state. This reservation includes the right to enter the surface estate for the purpose of opening, developing, drilling, and removing the mineral resources beneath it. This reservation of the public interest is part of each deed awarded and belongs in trust to all the people of Alaska.</p> <p>Mitigation measures and existing law address property owner concerns. Property owners within ½-mile of any proposed drilling are given a courtesy notice. Under Mitigation Measure 31, plan of operations permit applications must describe the licensees efforts to communicate with local communities, and interested local community groups, if any, in the development of their plans.</p> <p>Further, state law ensures that the surface owner be compensated for any damages to private property (AS 38.05.130). The state or licensee may only enter upon the land only after posting a surety bond and only after notice and an opportunity for the landowner to be heard. The bond must be sufficient to pay the damages, and to institute legal proceedings to determine the damages, which the owner may suffer.</p> <p>In practice, the division has found industry willing to accommodate reasonable requests and take extra steps to see that local concerns are met promptly and fairly. In turn, once area residents understand what and how a proposed operation is to be done, consensus is generally reached.</p>
<p>Moose Creek is a legislatively designated Recreational River. How will it be protected? At a minimum it should be included in Mitigation Measure 6.</p>	<p>The Susitna Basin Area Plan was adopted in 1985. It allows for oil and gas exploration and development in the Kroto Creek-Moose Creek corridor provided they are timed to mitigate impacts on fish and wildlife habitat and public use values. Mitigation measures will be developed on a case-by-case basis considering the topography, vegetation, and other factors affecting the impact of oil and gas exploration</p>

	<p>and development.</p> <p>Mitigation Measure 4 provides prohibits the siting of facilities other than roads and docks, within 500 feet of all fishbearing lakes and streams. Since Moose Creek is a fishbearing stream, this mitigation measure applies.</p> <p>Other mitigation measures that apply: Mitigation Measure 7 gives guidelines for the use of explosives in close proximity to fishbearing waters. Mitigation Measure 8 restricts the removal of water and snow from fishbearing waterbodies. Mitigation Measure 9 requires licensees to use appropriate measures to avoid entrainment of fish. Mitigation Measure 5 limits the siting of facilities in important wetlands. Licensee Advisory 3 reminds licensee of the provisions of Title 41 of the Alaska Statutes which protects anadromous streams and ensures the free passage of fish in all fishbearing bodies.</p>
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D. Olsen, Wasilla AK, 6/5/01

<p><i>The following comments have not been summarized or edited:</i></p> <p>The subject matter listed below has been previously taken under jurisdiction of the U.S. Secretary of Transportation. Federal laws grant authority to assume jurisdiction.</p> <p>Nansen and Dana Olsen petitioned the U.S. Secretary of Transportation lat July 2000. Jurisdiction was established, and administrative process is in progress. At no time have the Olsens received a denial of jurisdiction over the listed subject matter.</p> <p>RS2477, Federal Relocation Under Hardship Assistance, Property Management, Advance Acquisition of Property, Federally aided Highway Act, ISTEA-21, Clean Air Act, (STIP. Recreational Trails, Fair Housing Act.</p> <p>Failure to obtain a court decision assumed by U.S. Secretary of Transportation contrary to the jurisdictional basis will may foreclose the state of Alaska means to assert it later.</p>	<p>Most of these comments do not appear to pertain to the preliminary best interest finding for the Susitna basin exploration licenses.</p> <p>AS 38.05.035(e) lists the topics that ADNR must consider and discuss in the best interest finding. ADNR has fulfilled the requirements required under AS 38.05.035(g). Social, economic and environmental effects are considered. ADNR believes the analysis presented is comprehensive and adequate enough for the Director to determine whether this exploration license, as configured with mitigation measures and lessee advisories, is in the best interests of the state of Alaska. ADNR has also fulfilled the requirements of the ACMP and the MSBCMP with its coastal zone consistency analysis.</p>
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<p>In any possibility that the jurisdictions basis would be changed, Olsen challenges the preliminary best interest finding on grounds of fraud, misrepresentation, estoppel, and denial of equal protection and due process claims. Rational presumption made by the director is not constitutional pursuant to the 14th amendment guarantees. The right to own property.</p> <p>The preliminary best interest finding is challenged on grounds the director made no findings of facts, and appeal process, pursuant to the administrative procedure act, would result in abuse of discretion. Where constitutionally protected rights are at issue, “rational presumption” will fail.</p> <p>Olsen asserts that the social, economic, and environmental effects do require a revised land use plan update under Title 38 and approved by the commissioner. Secondary effects must be considered.</p> <p>Article III; U.S. Constitution requirements are not met under state implementation resulting in a denial of access to the judiciary. (piece mealed implementation).</p> <p>Olsen disputes the state authority to create 3rd party (estates or interests) in the (property estate) held by Olson’s and the state of Alaska. This violates state law. Olsen objects to any third party.</p> <p>The social economic impacts require a hard look to prevent the creation patterns of displacement, resulting in patterns of segregation in violation of the Fair Housing Act, where no affirmation means to stop continual or repeated displacement whether it be done by direct actions taken by others in regard to the licensee activity. Affirmative or remedy means to stop it must be available.</p> <p>Requiring a continual defense of property discourages and intimidates persons trying to prevent being displaced, or the notion they might be displaced. The preliminary finding insinuates this policy.</p>	
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<p>Page 1, Alaska Coastal Management Program Consistency Analysis for proposed Susitna Basin Exploration Licensees, paragraph 3 “this consistency analysis incorporates by reference the Preliminary Best interest Finding (PBIF) for proposed Susitna Basin Oil and Gas Exploration Licenses. Olsen challenges the presumption of reasonably foreseeable effects of licensing and subsequent activity on factual basis of DNR director not have taken a hard look, to prevent displacement and economic hardships and interference with “pursuits of happiness” and other federal programs. DNR divisions do not coordinate within itself. The commissioner is responsible for this.</p> <p>Olsen asserts the DNR commissioner will ultimately be responsible for Olsen denial of equal protection under state laws, policies, and implementation. Because state (DNR) employees are under his control.</p> <p>Permits do not need best interest findings and only one best interest finding is required (pursuant to state law). This results in no consideration of secondary effects, social and economic effects, nor environmental. This violates many federal environmental laws such as the Coastal Management Act. This curtail communities means to participate at all aspects of planning. Do they sufficient notice? And knowledge?</p> <p>The director is part of DNR. DNR council argued in (97219CU) they don’t give credit to MSB plans. There is no zoning implementation laws. There is no zoning implementation plan for the Trapper Creek area, where my property is located. MSB 1970 comprehensive plan is out of date and does not take into consideration of current needs, trends, environmental protection. Remove my Trapper Creek property from the proposed area.</p> <p>Forest Oil officials at the public hearing May 2001 at Su Valley High School did not dispute they were members of petitioners who have asked the DEC to allow them to exclude the public off public land despite any DNR regulations or other state law. Implementation is at the state Implementation Plan</p>	
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<p>approval/revision (SIP). DNR has no means to prevent this effect except to address it and mitigation it in its land use plans. Failure to address it shows bias and prejudice and there is no reasonable basis why it should not occur. The DNR commissioner is responsible for this and Olsen agricultural homestead as Chase are under DNR commissioner and not the agency.</p> <p>Ten years for best interest finding would tend to discourage others to locate into area and thus create segregated patterns of living in violation of the Fair Housing Act. As no means to circumvent or affirmatively address this issue.</p>	
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Smith, B, Palmer AK, 5/21/01

<p>I and many others feel that this area, especially Petersville, Trapper Creek and the Susitna and Deshka Rivers are the crown jewels of Southcentral Alaska. For such a small potential and short term gain is it really worth forever altering the unique area of this land?</p>	<p>DO&G has determined that the Susitna basin has low to moderate petroleum potential. However, until exploration takes place it is impossible to predict if production will take place and what impacts will occur. DO&G recognizes potential adverse effects of oil and gas activities throughout this document. Where adverse effects of oil and gas development cannot be avoided, mitigation measures are applied to activities so as to reduce or minimize those effects.</p>
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Strassenburgh, J., Wood, R., Talkeetna AK, 6/5/01

<p>The PBIF does not provide sufficient basis to support the conclusion that issuing these licenses "will best serve the interests of the state of Alaska."</p>	<p>ADNR has fulfilled the requirements for preparing a best interest finding as required under AS 38.05.035(g). ADNR believes the analysis of effects presented is comprehensive and adequate enough for the Director to determine whether a license in this area, as configured, and with mitigation measures and licensee advisories, is in the best interests of the state of Alaska.</p>
<p>The PBIF is inadequate because it fails to quantify or even attempt to quantify the costs and benefits associated with this proposal. The costs of negative impacts on flightseeing, on wildlife, on the environment, on the lifestyles of Alaska's citizens are dismissed with generalities which are for the most part unsubstantiated, with no attempt at cost quantification, sometimes with half truths and</p>	<p>Attempting to determine how future tourists might react to viewing oil development and the resultant economic effects is speculative. The reaction is likely to be highly variable depending on the individual. Under AS 38.05.035 (h), DO&G is not required to speculate about possible future effects subject to future permitting that cannot reasonably be determined until the project is more</p>

Appendix A: Summary of Comments and Responses

misleading statements, and with mitigating measures that may or may not reduce the negative impact to an acceptable level.	specifically defined. Chapter Five, "Cumulative Effects," discusses potential effects on air, land, and water as well as fish and wildlife.
For example, in the response to concerns about the negative impact on flightseeing, you actually imply (i.e., "what may be objectionable to one person may be desirable to another") that you believe that some individuals travel to Alaska to fly over oil development.	A better response would have been "what may be objectionable to one person might not be to another." Should oil and gas development in the Susitna basin occur, while it in itself would not be a reason for an individual to travel to Alaska, ADNR does not believe that such activity would deter an individual from traveling to the area to sightsee or pursue recreational activities.
Comparison of the impacts of Cook Inlet oil and gas development on tourism is an apples and oranges type comparison that bears no relevance to the matter at hand.	ADNR believes that the comparison of oil and gas development on tourism on the Kenai Peninsula and in the Susitna basin is a valid comparison. Both areas are rich in scenic and wildlife resources and draw visitors from around the world for sightseeing, hunting, fishing and other recreational pursuits. The challenge is to balance competing uses and to assure that development is done with minimum impact to the environment. The Kenai Peninsula has supported substantial oil and gas activity while experiencing dramatic increases in tourism. These activities are not mutually exclusive and their managed co-existence is consistent with the multiple use policies of the state. Oil and gas revenues contribute to the development of tourism throughout Alaska by funding marketing efforts, airports, roads, docks, state parks, campgrounds, recreation areas, and historic sites. The challenge is to balance competing uses and to assure that development is done with minimum impact to the environment.
Your response to the concern expressed by the Talkeetna Community Council about not receiving notice is misleading because although you may have sent out notification, it is our understanding that you sent it to the wrong address.	DO&G sent the notice to P.O. Box 608, Talkeetna AK, 99676. To our knowledge this address is correct.
There is an inherent bias in this PBIF process and that the document is written to support a predetermined conclusion. We also base the contention of inherent bias on the dismissive manner in which the PBIF disposes of valid concerns expressed in the public comments.	ADNR has made a good faith effort to address the valid concerns expressed in the public comments. During the public comment period following the release of the preliminary finding, DO&G staff attended meetings of the Talkeetna and Trapper Creek community councils to answer questions regarding the licensing program, conducted its own public

Appendix A: Summary of Comments and Responses

	meeting at Su Valley High School, and participated in a call-in program on the Talkeetna radio station. ADNR has developed mitigation measures and advisories to address public concerns.
There is a long history on the part of owners of private parcels, cabins, and residences in these four townships to keep the area roadless. For example, there was a Mat-Su ordinance introduced May 6, 1980 (number 80-48) that defined a "Tokosha Land Use District" which, among other things, provided for roadless status. This ordinance did not pass, but illustrates the lengths to which local residents and property owners are willing to go to preserve a way of life.	An ordinance that did not pass has no legal standing. There is no doubt that some residents oppose road development today as they did in 1980. There are also some property owners who might welcome increased access. DMLW may restrict public access to these roads at the permitting phase when a specific development is proposed and the wishes of the affected residents can be considered. Mitigation Measure 16 requires exploration activities utilize existing road systems, ice roads, air or boat service, or vehicles that do not cause significant damage to the ground surface or vegetation. Construction of temporary roads may be allowed. Construction of permanent roads will be prohibited during the exploration phase.
There is a large fixed cost in entering a new area but that once the infrastructure is established, the marginal cost of expansion is relatively low. This means that, once established, development will keep expanding. So, the potential long-term adverse impact is huge.	It is impossible to predict the extent of development prior to exploration. It is possible that no discoveries will be made and no development will take place. If development does take place, ADNR believes that mitigation measures can be effective in minimizing impacts.
Delete T27N, R6W and T27N, R7W from the current proposal. This is a world-class scenic area which would be materially, permanently, and irreparably harmed by oil and gas development. Oil and gas development is totally inconsistent with the tourism based economies of the area as well as with the Southside Denali developments currently being considered by federal and state agencies. These two townships are in the northeast corner of License No. 1. This is a relatively small area and since the potential for finding developable quantities of oil or gas declines as one moves north, that deleting them from the area eligible for license would not have a notable impact on exploration potential.	Following their initial application, Forest Oil submitted a revised proposal for License License No. 1, excluding all acreage within the Township 27N tier.

Comments received on Call for Comments concerning third license proposal: May 13, 2003.

Department of Transportation and Public Facilities, Cook, S. 6/12/2003	
DOT/PF has no objection to the exploration licenses.	Comment noted.

Diamond Gold Corporation, Trapper Creek, AK, E. Ellis, 5/14/2003	
Supports the issuance of the Exploration License.	Comment noted.

Residential Trail Committee, B. Long, Talkeetna AK, 6/6/2003	
Exclude T27N R7W and T27N R6W from the exploration license area.	License Area No. 3 does not include any of these Townships.

Long, B. Talkeetna AK, 6/2/2003	
Opposed to the exploration license proposal. This area is important for fish and game habitat, recreation and remote cabins. Exploration and development will cause negative impacts.	ADNR believes that oil and gas exploration and development is compatible with for fish and game habitat, recreation and remote cabins. With the proposed mitigation measures, existing laws, statutes, and regulations, negative impacts will be minimized.

Schraer, C., Anchorage AK, 6/8/2003	
Exclude T27N R7W and T27N R6W and T28N R7W and T28N R6W	License Area No. 3 does not include any of these Townships.

Sperry, J, Life Lake AK, 6/5/2003	
Exclude all lands north of Petersville Road. This area is roadless and recreational. Developing roads is not compatible with the use of the area.	DMLW may restrict public access to roads at the permitting phase when a specific development is proposed and the wishes of the affected residents can be considered. Mitigation Measure 16 requires exploration activities utilize existing road systems, ice roads, air or boat service, or vehicles that do not cause significant damage to the ground surface or vegetation. Construction of temporary roads may be allowed. Construction of permanent roads will be prohibited during the exploration phase.

Appendix A: Summary of Comments and Responses

An email dated, 6/10/2003 was submitted by the following:

Anderegg, Judith and Pelt, David	Palmer AK
Cassity, Ken	Wasilla, AK
Cook, April	Anchorage AK
Eames, Cliff	Anchorage AK
Ernst, Ricardo and Kathryn	Trapper Creek
Fish, Daryl and Joyce	Palmer AK
Fleming, Mike and Cheri	Talkeetna AK
Frank, Mike and Diane	Anchorage AK
Hatton, Elizabeth	Anchorage AK
Hope, Lucy	Wasilla, AK
Johnston, Dave and Sayre, Cari	Talkeetna AK
Nienhueser, Helen and Gayle	Anchorage AK
Okonek, Brian and Diane	Talkeetna Ak
Rice, Bud and Williams, Lulie	Eagle River AK
Robinson, Roger and Pam	Talkeetna AK
Schraer, Cynthia and David	Anchorage AK
Strassenburgh, John and Wood, Ruth	Talkeetna AK
Wakeland, Steve and Marcia	Eagle River AK

<p>Exclude T27N R7W and T27N R6W and T28N R7W and T28N R6W. Oil and gas development is incompatible with the longstanding intent to keep the area roadless. Slicing this area with seismic lines, roads and gas lines would be counter to the higher values for this area, which are recreational and scenic.</p>	<p>License Area No. 3 does not include any of these Townships.</p> <p>DMLW may restrict public access to roads at the permitting phase when a specific development is proposed and the wishes of the affected residents can be considered. Mitigation Measure 16 requires exploration activities utilize existing road systems, ice roads, air or boat service, or vehicles that do not cause significant damage to the ground surface or vegetation. Construction of temporary roads may be allowed. Construction of permanent roads will be prohibited during the exploration phase.</p> <p>ADNR believes that oil and gas exploration and development can coexist with other uses and is consistent with the multiple use policies of the state. With the proposed mitigation measures, existing laws, statutes, and regulations, negative impacts to recreational and scenic values will be minimized.</p>
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